Mr. Vikal himself, such situation have arisen in the past. Difficult situations have arisen in the past. That is why I am seeking these amendments. For example what happened in Haryana ? Mr. Tapase, the then Governor of Haryana, is asking Mr. Devi Lal to come tomorrow 10 or something like that. Then some message comes from the Centre to the Governor and without the knowledge of anybody, the present Chief Minister, Mr. Bhajan Lal, is sworn in. (*Interruptions*).

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL) : we continue with the discussion next time. Now we take up the statement by Mr. Buta Singh.

5. P. M.

STATEMENT BY MINISTER-

Statutory minimum price for Raw Jute for 1986-87

THE MINISTER OF AGRICULTURE (SHRI BUTA SINGH): Sir, I would like to make the following statement :

1. Government have fixed the statutory minimum price of raw jute for the 1986-87 season after taking into account all relevant factors including the latest changes in the administered prices of fertilisers and some petroleum products.

2. The statutory minimum price for W-5 grade of raw jute in Assam has been fixed at Rs. 225 per quintal. The corresponding prices for various grades at different centres will be fixed by the Jute Commissioner in the light of normal market differentials.

.d The Jute Corporation of India will undertake market support operations, as and when necessary.

SHRI CHITTA BASU (West Bengal) : May I seek some clarifications from the hon. Minister ?

SHRI KALPNATH RAI (Uttar Pradesh) : How ?

SHRI CHITTA BASU : I am seeking clarifications only.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL) : Please continue. But be brief.

SHRI CHITTA BASU : That is all right, Sir. May I know from the hon. Minister what are the relevant factors which have been taken into account before arriving at the statutory minimum price of raw jute at Rs. 225 per quintal ? Was this principle taken into consideration, namely cost of production plus cost of transport to the market, plus reasonable margin of profit and the risk allowance for the grower. He has said that all the relevant factors have been taken into account. I would like to know whether all these factors have also been taken into account in arriving at the statutory minimum price of Rs. 225 per quintal.

Secondly, I would like to know whether they have also taken into account the other relevant factors, e.g. the question of procurement, the question of manufacturing cost, export etc. As a matter of fact, the present organisations of the country have been demanding six demands—i.e. no fixation of ceiling price of raw jute, minimum price should be fixed at Rs. 600 per quintal all over the country, procurement by the JCI of the entire quantity of raw jute directly from the growers and nationalisation of jute industry in all its aspects, namely raw jute trade, manufacture and export-import trade. These alone can save the jute growers from the exploitation to which they have been subjected to for centuries together.

Will the hon. Minister clarify these points ?

SHRI NIRMAL CHATTERJEE (West Bengal) : Mr. Vice-Chairman, Sir, I think I should begin by thanking the 'young' Rajya Sabha Member, and old Lok Sabha member, for asking these questions.

SHRI LAL K. ADVANI (Madhya Pradesh) : He is an old Rajya Sabha Member.

SHRI NIRMAL CHATTERJEE: Case of interrupted youth. Anyway, Sir, long time back there was a report by Jyotirmoy Basu Committee on production of jute in the country. I was not a member at that time, but being in a research organisation I was interested to find out that report. One of the most remarkable things was—and we were surprised that anybody could dare to suggest that —that in calculating the cost price of production of raw jute, the imputed value of family labour was also taken before calculating the rate of return. In arriving at this Rs. 225, has that been taken into account ? That is my question No. 1.

The second question is, if the cost price of jute was discovered by the Jyotirmoy Basu Committee to be Rs. 500 in the year, possibly, 1973-74, what would be the corresponding cost at today's price in the year 1986-87 ?

Number 3, what proportion of jute growers, even after giving this price, would continue to be below the poverty line as determined today on the 1984-85 prices which was Rs. 6,400—and at today's prices— I am talking about the rural poverty. line—which would be some Rs. 7,000. After granting Rs. 225, the marginal jute producer, even the small jute producer, would he be able, on the basis of this price, to cross the poverty line ? These are my questions.

SHRI BUTA SINGH : Sir, as the honourable House knows pretty well, this issue has been discussed on the floor of this House a number of times, about the basis on which the procurement price and the statutory price are fixed Both the honourable Members are seasoned Members, pretty old and very senior to me at least. The question raised is whether these factors have been taken into account or not. Sir, there are, broadly speaking, eleven important factors which are taken into consideration before fixing this price, and this mechanism is applied by the Commission on Agricultural Costs and Prices who take the samples not from one particular area but from all the States in which the particular crop is grown and this is done through independent agencies, not through the Governments— neither the Central Government nor the State Governments. It is done through autonomous bodies, the universities, economists and other institutions which are working independent of the Governments. Therefore, their assessments cannot be termed as biased or favourable or indifferent. These are the eleven factors which are taken into account before fixing the price for any given crop at a given time; cost of production, changes in the input prices, input-output price parity, trends in the market prices, demand and supply, inter-crop price parity, effect on the industrial cost structure. effect on the general price level, effect on the cost of living, international market price situation, parity between the prices paid and the prices received by the growers. In addition to that, the honourable Member right in front of me asked whether the imputed value of the family labour is also taken into account. Yes, Sir. Not only the imputed value of the family labour but also the hiring charges of the people who do voluntary service among the farmers is also taken into account. Suppose one farmer takes the help of his neighbour for harvesting the crop, that is also included. The hire of bullocks, machinery, interest paid on the loans taken by the farmers are also taken into account. In addition to that, if that land which has gone

under that crop would have been used for any other purpose, that rental value is also taken into account. All these minor factors are also taken into account, including transport which the honourable Member has mentioned. They then come to a conclusion and that conclusion is reflected in their report. The Government usually referred these to the various States and the States' responses are also invited; it is not that the States are not consulted. After having done that exercise, the overall picture of the country's economy is taken into account, and based on the recommendations of this Commission it is done. I should say that only in one or two cases may be the recommendations of the Commission have not been at par but it has rarely been decreased, to my knowledge at least. Usually it has been on the high side. The Government has always favoured the farmers. Even in spite of the fact that the Commission had recommended a certain price, the Government sometimes felt that in the overall interests of the grower the price needs to be increased slightly. In this case also the same is the case. The recommendation of the CACP was different whereas the Government thought that the price needs to be a little higher so that the growers can have some kind of incentive, a little bit of remuneration. These are the factors which go into the fixing of the prices of the various crops which are covered under the procurement policy or support policy or statutory price support policy. I am sure the honourable Members will agree with me that much more could not have been done and we are following zealously the protection of the interests of the grower. Here in the case of jute the problem is that a grower often gets neglcted, firstly because the loan which he requires is advanced by some unscrupulous elements in West Bengal or Assam or Bihar. I would request the hon. Members to utilise their good influence with the State Government and request the State Government I have myself requested to organise a very good co-operative system through which the growers could be given better loaus on concessional terms. We are prepared to help the State Governments in organising such a co-operative movement which will help the growers of jute at the primary level. On concessional interest rates they should be given loans so that they are not fleeced by the middlemen. And, Sir, they could be organised also to put up a plant in the co-operative sector so that the jute growers can bring and process their own goods. We would prefer this. I would request the hon. Members to use their good influence with the local governments and see that the growers are helped by organising a co-operative movement for the jute growers.

Thank you, Sir.

SHRI NIRMAL CHATTERJEE: Your estimate has reduced it to Rs. 225. How come this ? This, we wanted to know. Mr. Jyoti Basu had made an estimate which was higher in that year, and this has come down. I am at a loss to understand this.

SHRI BUTA SINGH: Last year the price was Rs. 215. We have increased it by Rs. 10|- I do not know how we have reduced it.

ANNOUNCEMENT RE. GOVERNMENT BUSINESS FOR THE WEEK COMMENCING THE 24TH FEBRUARY, 1986.

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI SITARAM KESRI) : With your permission, Sir, I rise to announce that Government business in this House during the week commencing 24th February, 1986, will consist of:—

1. Discussion on the Resolution seeking disapproval of the Motor Vehicles (Amendment) Ordinance, 1986 and consideration and passing of the Motor Vehicles (Amendment) Bill, 1986.